

Welcome to...

Receivables/Account Management

Welcome and Introductions



Course Prerequisites



✓ Change Discussions

✓ RWD SAP 4.6C



Course Objectives



- At the end of this course, individuals should be able to use SAP to:
 - Run and Execute Dunning Process
 - Post Interest and Penalty
 - Use reports to Analyze Delinquent Bills
 - ↓ Record Allowance for Doubtful Account
 - ↓ Determine further action
 - Write Off Bad Debts
 - Utilize job aids and OLQR to help navigate through SAP



Benefits of Receivables/Account Management



- SAP provides an automated means to:
 - Calculate inception-to-date (ITD) Interest and Penalty
 - Create Dunning Letters
 - Identify debt referred to Treasury and any subsequent activity against these debts



Course Schedule



<u>Agenda Item</u>	<u>Time</u>
1. Introduction	0:15 hrs
2. Background	0:10 hrs
3. Dunning Process	1:40 hrs
4. Manage Delinquent Debt	1:40 hrs
5. End of Course Review/Feedback	0:15 hrs
Total Course Time	4:00 hrs



Course Structure



- Process Flows
 - Overview of key business processes and related SAP concepts
- Demonstrations
 - Trainer-led examples of key SAP transactions
- Activities
 - Real-life business tasks using Core Financial business procedures
- Training Course Feedback
 - Assessment of course effectiveness using the Training Evaluation Form



Course Tool: On-Line Quick Reference



- Purpose of the On-Line Quick Reference (OLQR) tool:
 - Provide procedures, job aids, and Help content via the Intranet during and after Instructor-Led Training (ILT) and Web-Based Training (WBT)
 - Assist with completion of transactions in the SAP system



Prepare Your Workspace



- Take a few minutes to prepare your training workspace:
 - Review the reference materials; become familiar with the content
 - Logon to SAP R/3



Background Knowledge

Background Knowledge



- Key definitions:

- Customer- Customer number, not customer name
- Doc. Type- Identifies the transaction type (ex. Customer inv.)
- Text/Item Text- Contains an explanatory text on the line item
- Sp. G/L- Allows a customer to have more than one Reconciliation Account
- Run On- Run date identifies one parameter for a transaction (ex. date dunning program will run)
- Identification- Distinguishes between several dunning runs with the same reconciliation key date



Background Knowledge



- Differences between SAP and the previous system:
 - Interest and Penalty are calculated (cumulatively) using the Dunning Process
 - Dunning letters are system generated
 - Delinquent debt sent to Treasury can be identified by running a report and subsequent activity on debt is also identified
 - Additional reports to analyze delinquent debt are available



Topic 1

Dunning Process

Topic 1: Overview



- Dunning Process
 - Three progressively stronger demand letters will be sent to the customer unless it is determined earlier that the debt is not collectible (45, 75, and 105 days after the date of the initial bill)
 - Administrative charges are manually recorded and the bill is sent to the customer; recorded the same as penalty
 - Interest and penalty are manually recorded to update the customer and accounting system
 - This interest and penalty are shown on the dunning letter as a cumulative value
 - Debts can be blocked from interest and penalty calculation and dunning letters
- Process Flows: Manage Accounts Receivable
 - Manage Account sub-process



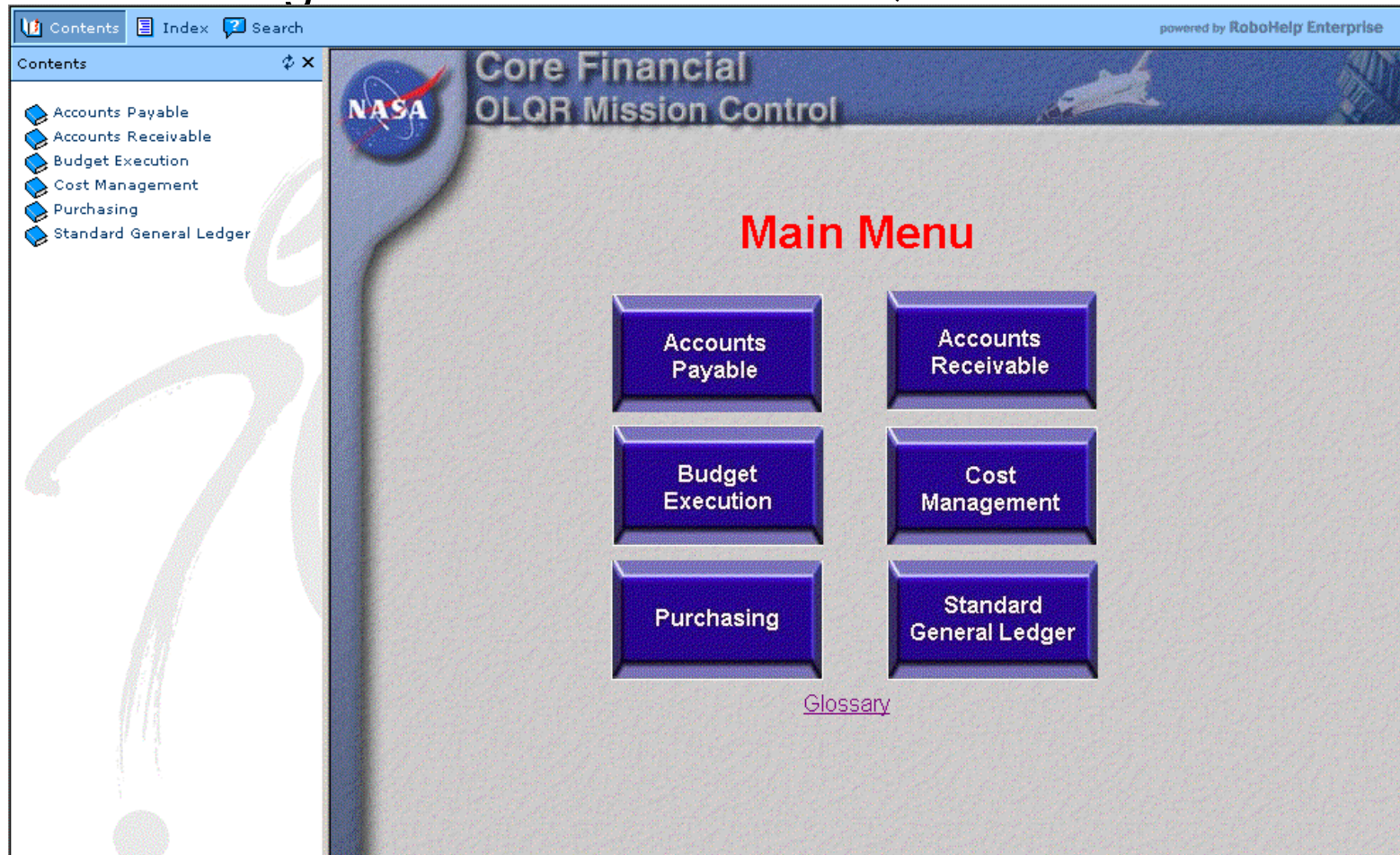
Topic 1: Objectives



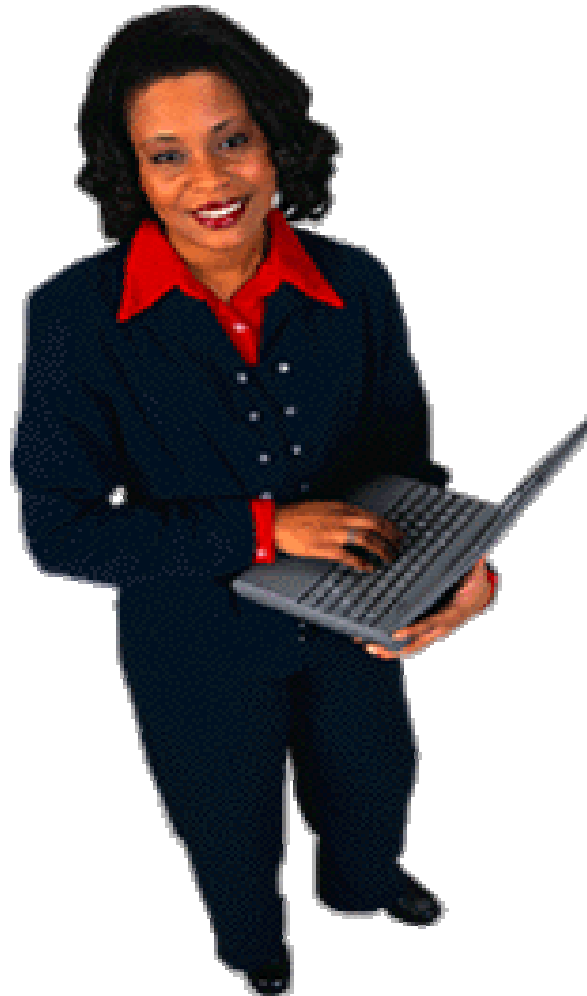
- Upon completion of Dunning Process, individuals should be able to accomplish the following:
 - Run and Execute Dunning Process
 - Post Interest and Penalty

Topic Process Flow

- Run Dunning Process from the OLQR



Demonstrations and Exercises Introduction



Demonstrations and Exercises



-
- **Run and Execute Dunning Process (demo and/or activity)**
 - **Post Interest and Penalty**

Topic 1: Debrief



- Three progressively stronger demand letters will be sent to the customer unless it is determined earlier that the debt is not collectible (45, 75, and 105 days after the date of the initial bill)
- Administrative charges are posted for additional costs incurred in attempt to collect debt; since the recording of this is the same as for penalty, no activity was performed
- Interest and penalty are manually recorded to update the customer and accounting system
- Some debts can be blocked from interest and penalty calculation and the printing of dunning letters



Topic 2

Manage Delinquent Debt

Topic 2: Overview



- Manage Delinquent Debt
 - The aged bill report captures reimbursable and non-reimbursable details and sub totals with debt spread over nine aging buckets based on age of debt
 - Record an allowance for doubtful account based on manual determination of amount using various customer reports from SAP and Business Warehouse
 - Various reports can be used to determine what further action has to be taken on delinquent debt:
 - Continue the collection process
 - Adjust bill
 - Refer to Treasury
 - Write off
- Process Flows: Manage Accounts Receivable
 - Manage Account sub-process



Topic 2: Objectives

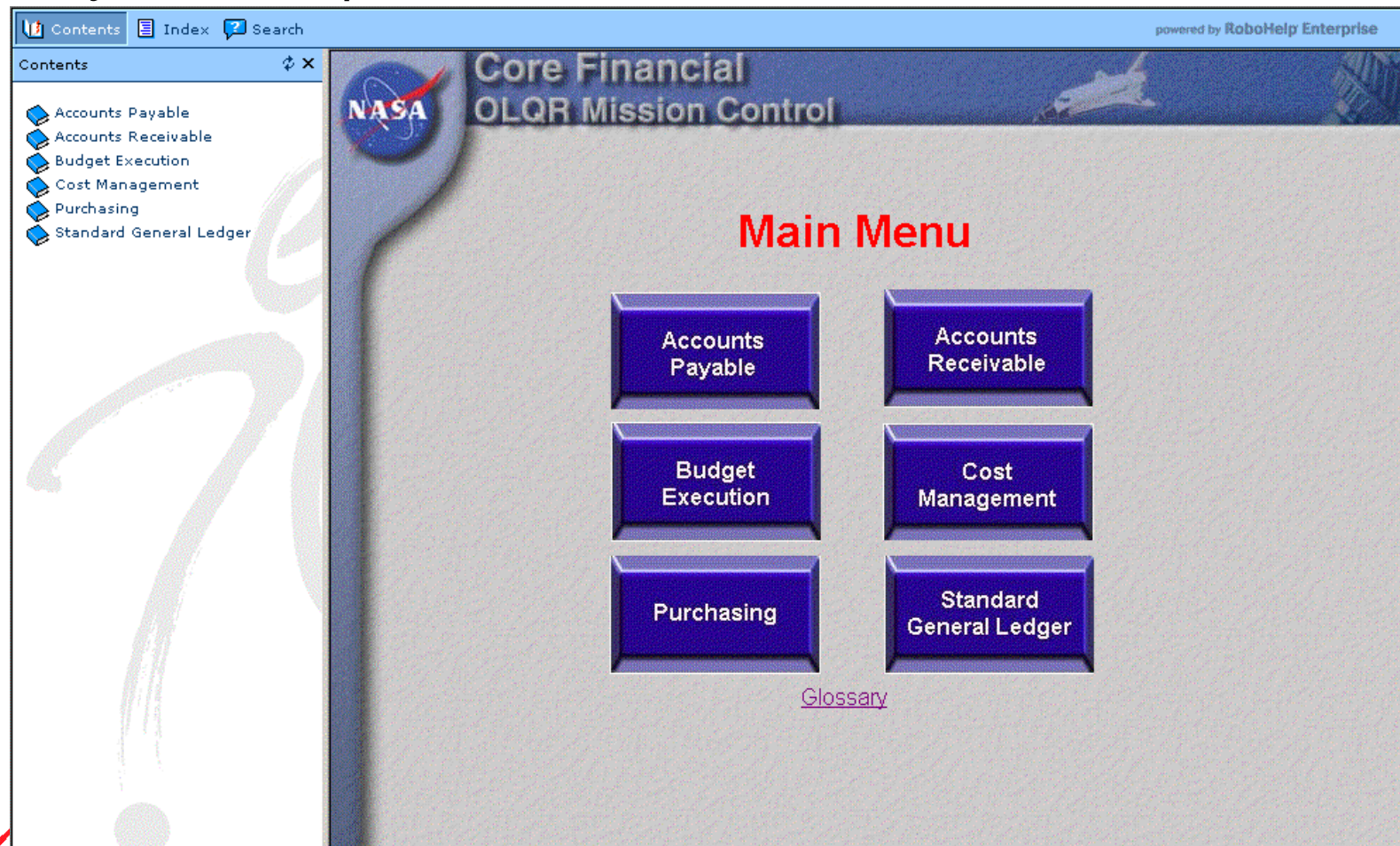


- Upon completion of Manage Delinquent Debt, individuals should be able to accomplish the following:
 - Analyze Delinquent Bills using reports to determine the entry to Record Allowance for Doubtful Account and determine further action to take
 - Write Off Bad Debt

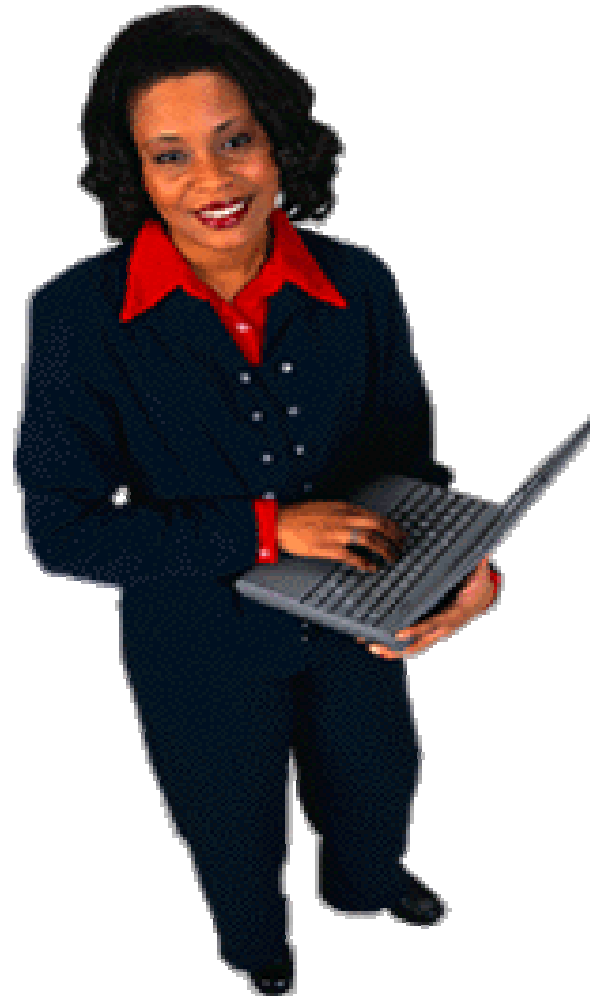


Topic Process Flow

- Analyze Delinquent Bills from the OLQR



Demonstrations and Exercises Introduction



Demonstrations and Exercises



-
- **Analyze Delinquent Bills and Record Allowance for Doubtful Account**
 - **Write Off Bad Debt**



Topic 2: Debrief



- The aged bill report captures reimbursable and non-reimbursable details and sub totals with debt spread over nine aging buckets based on age of debt
- Multiple reports will be used to determine the amount to record as allowance for doubtful account
- Consider age, activity, dunning level, communication with customer, and amount of the bills in analyzing delinquent debt
- By reviewing the reports and outstanding balances, analyze delinquent bills to determine what action has to be taken



End of Course Review

Review Objectives & Expectations



Individuals here should now be able to:

- ✓ Run and Execute Dunning Process
- ✓ Post Interest and Penalty
- ✓ Analyze Delinquent Bills
- ✓ Record Allowance for Doubtful Account
- ✓ Write Off Bad Debts

Available Resources



- SAP Practice Training Instance
- OLQR
- Super-users within each department
- Job Aids



Extra Practice - SAP Training Instance



- Use data from course training guide to practice transactions

The training database provides a “safe” environment to develop and practice skills without affecting production.

Congratulations!

Training Course Feedback



- The on-line training course feedback will:
 - Assess the effectiveness of the instruction and training materials for the course
- To access the feedback form:
 - Launch your Web Browser
 - Enter the following URL address:
<http://www.zoomerang.com/recipient/survey-intro.zgi?ID=S92WBAWLSKWA&PIN=994RHHDW8RK7>
 - Complete and submit feedback by following the directions within the on-line form

